

THE WISE AG UPDATE



FOURTH QUARTER, 2013

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COMMENTARY by Murray Wise



When we established this firm, I was reluctant to associate my name with our corporate identity. I thought we should think of some compelling, impactful company name while long valued members of the management staff, close friends and business partners insisted we use Murray Wise Associates (you might say I was ganged up on). Now today, I couldn't be prouder to have my name on the firm mast head.

Why today, you ask? A few times in a lifetime, you get a chance to take on a challenge that forces you to learn, grow and perhaps even redefine yourself in ways. We at Murray Wise Associates LLC just had the extraordinary experience of facing such a challenge, and we successfully completed the most complicated and extensive marketing campaign I've ever seen in the real estate industry. And now, we go into the fall and winter selling season as a stronger company than ever.

As discussed elsewhere in this newsletter, the job ahead of us was nothing short of massive: Thousands of acres of farmland, hundreds of pieces of farm equipment, packing plants, labor camps, and even luxury homes and condos – primarily in central Florida and Virginia's Eastern Shore, but with others also in West Virginia and Pennsylvania. The folks on our staff grew significantly as

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we cleared one hurdle after another, including that of operating without two key team members who went on maternity leave in the final days of the East Coast Brokers campaign. The accompanying article lists a lot of people who played key roles in this effort, and I want to extend my personal thanks to each of them.

Just landing the job took months of work. Our staff created a marketing plan so extensive it would have blown you away. Because of that plan, we won the confidence of the creditors and the court-appointed Chapter 11 Trustee.

Now, at the end of this journey, I can look back and see that we emerged with new skills and capabilities, not to mention the self confidence that comes only with great success. We used sealed bid, online, multi-parcel and other live auction techniques. We simulcast auctions from multiple locations. We sold equipment and real estate to buyers from 25 states and five countries. At the end of the day we did it by putting in more than 13,000 man hours, which could not have been accomplished without the extraordinary help of our business partners, both old and new.

Don't get me wrong: We've always excelled at the big jobs. For years,

See COMMENTARY, page 2

YOU CAN NOW FOLLOW US ON:



INSIDE THIS ISSUE

Commentary.....	1-2
Comments on the East Coast Brokers & Packers Auction	2
Ag Entrepreneurship	2
Teamwork	3
Upcoming Auctions	4

COMMENTARY CONT'D



we've sold properties all over the country – thousands of acres at a time. We've worked with some of the biggest landowners in the nation, helping them sell massive portfolios over time, throughout the country. And certainly, working with trustees and bankruptcy courts was nothing new.

But the properties owned by the bankrupt East Coast Brokers and Packers, the Madonia family and related entities enabled us to stretch our wings even further. That doesn't mean we plan to plunge into the farm equipment business or make luxury home auctions a staple in the near term. But understanding these parts of the business helps us better understand and serve our sellers.

Now, we're back at full strength, facing new opportunities throughout the United States. And the opportunities ahead are exciting. The crops are mostly in, and this is the time when more farmland owners are ready to sell. Accordingly, we have a solid lineup of auctions and sale assignments in our home states of Illinois, Iowa and Florida. This comes at a time when the outlook for farmland prices is uncertain, having moved sideways during the slow months. It will be exciting to see what the market has to say in the fall and winter months!

Did I mention I was proud? ♦

COMMENTS ON THE EAST COAST BROKERS AND PACKERS AUCTION



The following quotes were taken directly from the transcript of the United States Bankruptcy Court hearing to approve the sales of the assets of East Coast Brokers and Packers, Inc.

On the overall effort

"From the Trustee's perspective, Your Honor, the auctions have been an overwhelming success."

"I just can't imagine that anybody could have done a better job than what Murray Wise Associates did."

"I am absolutely amazed at the total proceeds that were received in each and every auction. I will say every auction exceeded my expectations."

On the Multi-parcel Auction System

"It was amazing to see in real life and I just wanted to tell the Court, from my own perspective, and pat Mr. Wise and his group on the back because I can't imagine it being done better."

"You needed to see really watch the dynamics in the rooms to see how this process works and to understand how the roll-ups and re-offerings of packages works."

"It looked like a tennis match with two very spirited bidders. The thing had stalled at \$8.8, \$8.9 million and proceeded up to the \$13.6 million level at \$200,000 increments."

AG ENTREPRENEURSHIP

**Murray Wise Scholarship to Karl Kerns**

Iowa State senior Karl Kerns has been awarded the \$10,000 Murray Wise Associates Agricultural Entrepreneurship Scholarship for his work at the College of Agricultural and Life Sciences. The award was established several years ago and endowed by Murray R. Wise and the Wise Family Foundation. Its purpose is to encourage entrepreneurship in agriculture and agribusiness students at Iowa State. Karl is the third recipient of the annual award administered by the school's Agricultural Entrepreneurship Initiative.

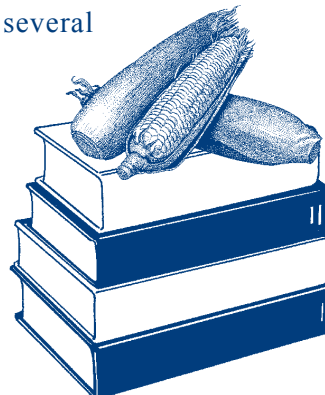
Karl was chosen earlier this year, but received word of his selection only when enrolling for the fall. Quoted in the Iowa State Daily, he said he "...

always dreamed of being recognized for this award, but I was shocked when I found out I was selected for it. It is not a scholarship you can apply for."

He was selected for his interest in entrepreneurship, his experience as a

member of the student advisory team and his overall participation in the Initiative. One of the project's requirements is the creation of a business plan for a new venture. Karl's focused on reducing feeding costs in raising hogs. He told the Iowa State Daily, "I plan on using

the money to help pay for expenses that will be incurred to pursue my long term goals in my business model." He will continue his education in graduate school, studying porcine reproductive physiology. ♦



TEAMWORK



As this newsletter goes to print, we at Murray Wise Associates LLC are in the process of wrapping up a series of eight auctions on a bankruptcy project so complicated that nobody dared dream of such an outcome: more than \$75 million has been recovered for the creditors, with several properties set for a final auction Oct. 25.

This mega-project began in the summer of 2012 when our folks initially met with East Coast Brokers and Packers, the Madonia family and related entities to discuss multiple strategic options. These discussions were ongoing until March, 2013 when the entities filed for Chapter 11 protection in the United States Bankruptcy Court, Middle District of Florida – Tampa Division. Subsequent to the filing, we were engaged and authorized by the Bankruptcy Court in April to market the properties.

Shortly after the engagement began, the Bankruptcy Court appointed Jerry McHale Jr. as Chapter 11 Trustee to oversee the sale of the debtors' assets. He – with support from the creditors – agreed with our proposed plan to conduct a series of public auctions, most of which were in Florida and Virginia. These assets included thousands of acres of farmland, tomato packing facilities and hundreds of trucks, tractors, forklifts and other equipment used in the tomato business.

We realized from the outset that we were going to need help and started with an old and trusted friend – Ben Crosby, of Crosby & Associates. We have worked with Ben and his staff for about as many years as we've been in this business and knew we could count on their savvy, contacts and presence in Florida to help us get the assets organized, shown and marketed. Ben, Squire Smith, Chip Fortenberry and the rest of the Crosby team delivered as usual.

We also needed more bodies for the live real estate auctions, and we turned to Jim Woltz and the crew at Woltz & Associates, based in Roanoke, Va. Through the years, we have known and admired the Woltz firm as a highly respected auction company with the reputation, capabilities and ethics parallel to ours. Not only did they provide the much needed manpower, but Woltz's Russell Seneff proved to be the perfect fit as a world class bid caller familiar with our method of selling land in parcels.


The missing piece was a firm to take charge of the equipment auctions. Weeks Auction Company, based in Ocala, Fla., was the ideal partner for the job, moving all the equipment to central locations in Mulberry, Fla., and Mappsville, Va., and getting it lined up, cleaned up and ready for a successful sale. The job done by Tim Weeks, Grady Weeks, Bill Catsulis, and the others at Weeks exceeded the most optimistic expectations.

Our staff in Champaign, Ill., Florida and Iowa, rose to the occasion. Murray Wise, Ken Nofziger, Joe Bubon, Kenny Schum, Heather Mathis, Kati Przybylski, Lisa Barbee, Jeff Wright and Harrison Freeland put in long hours, producing detailed plans and professional marketing materials on tight deadlines. John Kirkpatrick, Josh Gerig and Dawn Waters from Iowa and Steve Hamro from Florida pitched in, providing invaluable assistance showing the properties and assisting on auction days. Jamie Knight, in our Naples office, held things together, facing some incredible logistics challenges, booking tens of thousands of airline miles, hundreds of hotel nights and making sure our folks were always at the right place at the right time.

And if the staff challenges weren't enough, Heather and Kati both gave birth to healthy baby girls in the last days leading up to

the auctions, and of course they were unavailable to travel (see the side note for introductions to Charlotte and Addisyn)!

Through it all, we were fortunate to develop an excellent relationship with folks at the office of the Chapter 11 Trustee, Gerard A. McHale, Jr. P.A. Jerry McHale, Jr., Susan Sprehn, David Isley and the rest of the staff at the firm were tremendous to work with. And it would be a major omission if we did not acknowledge the hard work put in and the support we received from the creditors and their counsel – especially Greg Gallaway of MetLife's Agricultural Investment Division and their counsel Gary Barnes, John Mueller, attorney for Crop Productions Services and Rob Marcus, attorney for Anthony Marano Company.

For Murray's reflections on the assignment, see his column on pages 1 & 2. 

NEW ADDITIONS



Charlotte Anne
August 19, 2013
6lb 13oz,
19 inches



Addisyn Lynn
August 28, 2013
8lb 5oz,
20.5 inches

THE WISE AG UPDATE

UPCOMING AUCTIONS & CURRENT LISTINGS



Upcoming Auctions

Thursday, November 7 at 10AM – 150± Acres in Champaign County, Illinois, Ogden Township - Quality Illinois farmland offered in 3 Tracts ranging in size from 40 acres to 70 acres

Thursday, November 7 at 3PM - 200± Acres in Champaign County, Illinois, Crittenden Township - Offered in 2 Tracts of 40 acres and 160 acres including productive Central Illinois soils

Wednesday, November 20 at 10AM - 2,013± Acres in Clay County, Illinois, Clay City North Township - Offered in 14 Tracts including 1,261.5± tillable acres and 445.7 CRP acres – Grain storage facility in Noble, IL - Excellent recreational opportunity including Whitetail, waterfowl and turkey hunting

Friday, December 6 at 10AM - Vermilion County, IL, 102± acres in two tracts consisting of 40 acres and 62 acres, predominantly Drummer soils, tile work done in 2011 on 60 acre tract

Thursday, December 12 at 10AM - 1,564± Acres in Crawford County, Illinois, - Offered in 8 Tracts including 1,284± tillable acres of which 1,173± are contiguous - Great recreational potential with 218± acres bordering the Embarrass River - 90,000± bushel capacity grain storage facility and machine sheds

Private Listings

Pocahontas County, Iowa – Powhatan Township - 70 CSR rated farm with 262± acres of which 248.74 are tillable – Asking price: \$11,000 per acre

Georgia & North Carolina - 800± acre blueberry farming and packing operations - 18,000 sq. ft. packing facility - 2,000,000+ pound annual crop - Call for more information

Visit www.murraywiseassociates.com for more information on these properties.



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